



**ADDENDUM
I**

**APPLICATION
FOR
LOW INCOME HOUSING
TAX CREDIT**

ADDENDUM I

2005/2006 HOUSING TAX CREDIT

APPLICATION FILING REQUIREMENTS

<u>FUNDING ROUND</u>	<u>APPLICATION DUE DATE</u>	<u>CHECK ONE (IF APPLICABLE)</u>
SPRING 2005	APRIL 15, 2005	<input type="checkbox"/>
FALL 2005	SEPTEMBER 15, 2005	<input type="checkbox"/>
SPRING 2006	MARCH 15, 2006	<input type="checkbox"/>
FALL 2006	SEPTEMBER 15, 2006	<input type="checkbox"/>

Applications will be considered under the following Holdbacks:

<p>CHECK ONLY ONE OF THESE: Applications selecting more than one category below will not be accepted by the Authority, and no evaluation/review will be performed.</p> <p><input type="checkbox"/> General</p> <p><input type="checkbox"/> Special Needs</p> <p><input type="checkbox"/> Small Projects</p> <p><input type="checkbox"/> Preservation Holdback</p> <p><input type="checkbox"/> *Cool Cities Holdback (See Tab W, LIHTC Policy Bulletin #19)</p> <p><input type="checkbox"/> **Tax-Exempt</p>	<p>Check all Set-Aside boxes that the project qualifies for (see page 9 of the QAP):</p> <p><input type="checkbox"/> Elderly</p> <p><input type="checkbox"/> Non-Profit</p> <p><input type="checkbox"/> Distressed</p> <p><input type="checkbox"/> Rural-49 units or less (See Tab GG)</p>
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*Not subject to funding rounds, and only available until August 15

**Not subject to funding rounds, and may be applied for at any time

The Authority will consider applications in each category separately. All applications must be accompanied by a check or money order in an amount equal to \$35 for each proposed low-income unit, with a \$1,500 maximum. No one sponsor will be allowed to submit more than five applications in each funding round. Sponsors that submit more than three applications in a funding round must pay an amount equal to \$50 for each low-income unit, with a \$2,000 maximum. This fee is non-refundable and must be paid in each funding round in which a project seeks to be scored and evaluated. A fee of \$100 will be assessed each time a check is returned to the Authority for insufficient funds.

The Primary Application (Pages 1 – 27), Housing Tax Credit Addendum (Pages I-1 through I-45) and all exhibits **MUST** be submitted in a three-ring binder. **All exhibits must be tabbed in accordance with the list on pages I-3 through I-7 of this addendum, indexed, and placed at the end of the addendum – *not within the body of the addendum.***

Primary Applications and Housing Tax Credit Addenda submitted on computer-generated forms MUST exactly replicate the pages in the application and/or addenda including correct page numbers.

Applications may be sent via delivery service (e.g., post, overnight, courier), or dropped off in person, but must be received in the Authority's Lansing office no later than 5:00pm on the application due date. **Applications received after the due date or time will be returned to the applicant.**

Failure to submit a complete application, addendum and required documentation in accordance with instructions will result in a determination that the proposed project is ineligible for credit, and the application will be returned without being ranked or scored. **Faxed applications will not be accepted.**

In the event of any conflict or discrepancy between the application filing requirements as stated in the Combined Application, the Exhibit Checklist, or Addendum I with the application filing requirements as stated in the Qualified Allocation Plan, the requirements of the QAP shall control.

Housing Tax Credit Program Statement

The Housing Tax Credit program is an investment vehicle created by the federal Tax Reform Act of 1986, which is intended to increase and preserve affordable rental housing by replacing earlier tax incentives (such as accelerated depreciation) with a credit directly applicable against taxable income. This program permits investors in affordable rental housing corporations, banking institutions, and individuals to claim a credit against their tax liability annually for a period of 10 years.

The maximum tax credit a project may receive is based on a percentage of the portion of rental housing (whether the housing is newly constructed or rehabilitated) that the owner agrees to maintain as both rent and income restricted for a period of at least 18 years. At a minimum, either 20% of the units must be for residents whose incomes do not exceed 50% of area median income or 40% of the units must be for residents whose incomes do not exceed 60% of the area median income (as determined and adjusted annually by HUD). The rents on the units must also be restricted. A credit equal to roughly 9% of the qualified basis of construction or rehabilitation costs is available to developments not utilizing federal or tax-exempt financing. A credit roughly equal to 4% of the qualified basis is applicable where federal or tax-exempt financing is utilized and, in certain cases, for acquisition costs associated with rehabilitation.

Michigan's annual credit authority is approximately \$18 million. The process used by MSHDA to evaluate applications and allocate credit is described in the Qualified Allocation Plan, which is located in Tab B. Briefly, a Primary Application and the Housing Tax Credit Addendum, including detailed financial information and various supporting documentation, must be submitted to MSHDA for review and evaluation. The process involves four stages - reservation, allocation, commitment, and placed in service. The final determination of how much credit will actually be awarded is made once the work has been completed.

NOTE: There are now separate checklists for each of the following programs:

- **Addendum I - LIHTC Program**
- **Addendum III - Special Needs Rental**
- **Addendum IV - Multi-Family Direct Lending/HOME Team Advantage**
- **Addendum V - Modified Pass Through Program**
- **Addendum VI - Section 8 and Section 202 Preservation Programs**
- **Addendum VII - Section 236 Preservation Program**

Please use the checklist applicable to the program for which you are applying.

The following items **MUST** be submitted if applicable to the project and/or for points to be given to the project. To indicate each exhibit submitted, place a check mark in the box provided and return a copy of this checklist with your application. Each submitted exhibit must be tabbed with the appropriate corresponding number from the checklist. **APPLICANTS APPLYING FOR MORE THAN ONE TYPE OF FINANCING MUST INCLUDE ALL APPLICABLE CHECKLISTS' EXHIBITS. DUPLICATION OF EXHIBITS IS NOT NECESSARY.**

EXHIBIT CHECKLIST		
Addendum I / Addendum V:		
✓	#	LIHTC / modified pass-through program
	1	A narrative description of the project which includes the type of project; location; type of financing; tenants served, bedroom mix; local, federal or state subsidies; and other relevant information.
	2	Land Control - Documentation, signed by all applicable parties, in the form of warranty deed, exclusive option to purchase, land contract, etc., which evidences ability to maintain site control for 120 days from the date of application submission, with extensions available.
	3	Zoning - Documentation from the appropriate local official on official letterhead, identifying the address of the project, the property's current zoning designation and an explanation of whether or not the project is permitted under the zoning ordinance. For rehabilitation projects a letter from the municipality stating that the zoning is compatible with the proposed use of the buildings is required. If the project is not currently properly zoned, what, if any, steps are in process to obtain proper zoning for the proposed development. The documentation must include a timetable for rezoning.
	4	Site Utility Availability - Documentation from the municipality and/or local utility companies on their letterhead regarding utility availability and adequacy to serve the site, including whether such is currently available or will be available. Points will be awarded to new construction projects that submit a letter from the local community or utility company verifying the existence of water and sewer lines to the property.
	5	Market Data - See Tab C for specific guidelines. Two copies must be submitted and dated within six months of application submission. TO TAKE ADVANTAGE OF THE PRE-REVIEW, SUBMIT A MINIMUM OF 30 DAYS PRIOR TO THE FUNDING ROUND.
	6	Environmental Assessment - Level 1 Environmental Assessment or, if necessary, a Level II with a remediation plan. Dated within six months of application submission. See Tab D for specific requirements. TO TAKE ADVANTAGE OF THE PRE-REVIEW, SUBMIT A MINIMUM OF 30 DAYS PRIOR TO THE FUNDING ROUND.
	7	Lease/Purchase: See LIHTC Policy Bulletin #16 in Tab W.

EXHIBIT CHECKLIST

Addendum I / Addendum V:

LIHTC / modified pass-through program

✓	#	
	8	Title Insurance Commitment - dated within 180 days of the date of application submission, which sets forth all encumbrances on the property, together with copies of such encumbrances. For scattered sites, include a list of all properties and their addresses. For projects located on federally recognized American Indian Reservations, an attorney's opinion letter regarding the chain of title and land control may be accepted in lieu of the title insurance commitment.

FOR EXHIBITS 9A THROUGH 9G, DUPLICATION OF INFORMATION IS NOT NECESSARY

	9a	Construction Financing - Evidence of application to construction lender showing that application is under serious consideration. FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION SUBMISSION.
	9b	Permanent Financing - Evidence of submission of application to mortgage lender: in the case of an RHS project, the completed AD 622 form (or a letter signed by an official of RHS for Tax Credits); in the case of conventional financing, documentation from the lender(s) stating that a formal application for permanent financing has been submitted and is under serious consideration; and in the case of a MSHDA financed project, evidence that the project has been accepted for processing. All documentation must include mortgage amount, interest rate and term of loan. FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION SUBMISSION.
	9c	Confirmation of Secondary Financing - if applicable. Proposals which rely on some form of secondary financing to achieve feasibility must be accompanied by a detailed explanation and a confirmation from the source of that secondary financing that the additional funds have been applied for and are (or are expected to be) available. FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION SUBMISSION.
	9d	Federal, State or Local Government Financing - <ul style="list-style-type: none"> Letter from local municipality stating that application has been submitted and amount of request, terms and interest rate. If applying for tax credit points for using federal, state, or local financing, the letter must state the amount of the financing, the terms, the interest rate, and that the financing has been approved. Points will be awarded only for long-term, permanent financing. To obtain points for CIP or AHP financing, a commitment letter from the FHLB must be submitted. FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION SUBMISSION.
	9e	Grants/Other Subsidies - Letter from proposed grantor stating that application has been submitted and amount of request. If applying for points, the letter must state the amount of the grant/subsidy and that it has been approved. FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION SUBMISSION.
	9f	Existing Project Financing (for acquisition/rehab projects only) - Copy of existing mortgage(s), if assumption. For acquisition/rehabilitation projects of existing low income units financed by HUD, RHS, or MSHDA, signed written evidence from the appropriate agency that the transfer of assets has been submitted to the financing agency <u>must</u> accompany the tax credit application.
	9g	Syndication – If available.
	10	Walkable Community Map – A local map highlighting the project location and features of the surrounding area must be included with an application claiming any of the Walkable Communities points. Maps must be legible and to scale, and specific distances to local features must be indicated.
	11a	Owner Experience - MUST COMPLETE FORM PROVIDED ON PAGE 25 OF PRIMARY APPLICATION. Do not send Previous Participation Certification, FmHA 1944-37, or HUD 2530.

EXHIBIT CHECKLIST

Addendum I / Addendum V:

LIHTC / modified pass-through program

✓	#	
	11b	Management Entity Experience - MUST COMPLETE FORM PROVIDED ON PAGE 26 OF PRIMARY APPLICATION. Previous Participation Certification, FmHA 1944-37, or HUD 2530 will not be considered for management experience points.
	12	Affirmative Fair Housing Marketing Plan - See Tab P for AFHMP guidelines.
	13	<p>Nonprofit Documentation - A through J are ALL required if applying under the tax-credit nonprofit set-aside and/or for nonprofit points.</p> <ul style="list-style-type: none"> a) Documentation of Federal 501(c)(3) or (4) status from the IRS b) A certified copy of the Articles of Incorporation dated within 30 days of application submission c) Copy of by-laws d) List of the board of directors, if applicable - To receive points, the list must include the address of each board member e) An executed agreement between the sponsor and the non-profit if the project is a joint venture. f) Description of the nonprofits previous experience in housing. Must complete form provided on Page 27 of Primary Application. g) Current Certificate of Good Standing dated within 30 days of application submission h) Map outlining service area of nonprofit, including specific location(s) and name(s) of affiliated or proposed developments i) Narrative describing the non-profit's involvement in the local community j) Proof of CHDO approval (if applicable) <p>NOTE: Must be more than 50% nonprofit, general partnership ownership</p>
	14	Ownership Entity Formation - Certified copy (dated within 30 days of application submission) of the certificate of limited partnership and any amendments on file with the Department of Labor & Economic Growth, Bureau of Commercial Services, if applying for tax-credit readiness points. Out-of-state entities must submit a copy of an endorsed application for certificate of authority to transact business or conduct affairs in Michigan, along with the supporting documentation submitted with the application.
	15	Tax Abatement - Proof of tax abatement or a letter of tax abatement support from local taxing jurisdiction. Certified Copy. See Addendum I page-19 for specific filing requirements.)
	16	Site Plan Approval - A letter signed by the appropriate official of the municipality on its letterhead which identifies the project's name and address and states that final site plan approval has been granted; or, if site plan approval has been granted with contingencies, a Statement in the letter stating that the contingencies do not have to be approved by the planning board but may be approved at a staff level. Failure to provide a clear letter which addresses final site plan approval and how contingencies are handled may result in the loss of points for this category. (For rehabilitation projects, a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals are necessary.)
	17	Proof of Local Taxation Rate (if no tax abatement) - For acquisition/ rehabilitation a tax bill will meet requirement.
	18a	Locality / Neighborhood - Letter on official letterhead and signed by an official of the local municipality which verifies that the property is in a Cool City, a Renaissance Zone, or on a Federally Recognized American Indian Reservation.
	18b	LIHTC Location Points Report (MANDATORY) – Print and include the point report generated using the LIHTC Point Score System on MSHDA's Web Site. (See footnote on Page I-17 for further instructions on using the LIHTC Point Score System) The LIHTC Location Points Report will reflect the Census Tract Needs Score, and also whether the project is in an Empowerment Zone (Tab L), Enterprise Community (Tab L), Renaissance Zone (Tab M), Core Community (Tab Y), Renewal Community (Tab L), Principal City (Tab S) or Federally Recognized American Indian Reservation.

EXHIBIT CHECKLIST

Addendum I / Addendum V:

LIHTC / modified pass-through program

✓	#	
	19	<p>Special Needs - Points will be awarded to experienced organizations* that agree to commit 10% or more of a development's units to serving persons with special needs who receive substantial support services.</p> <p><u>To receive points, eight copies of the documentation and exhibits listed below must be provided:</u></p> <p>*Experienced organizations must demonstrate and document:</p> <ul style="list-style-type: none"> <input type="checkbox"/> At least 5 years' experience developing, owning, or managing Low Income Housing Tax Credit properties and/or <input type="checkbox"/> At least 5 years' experience providing special needs services; <input type="checkbox"/> No outstanding/unresolved compliance issues; <input type="checkbox"/> No instances of credit being returned to the Authority; <input type="checkbox"/> Qualification for nonprofit participation points under Section D(6) of this Scoring Summary if organization is nonprofit. <p>Eight tabbed copies of exhibits A through H are required: See Addendum III for instructions.</p> <ul style="list-style-type: none"> a. Table of contents b. Project description c. Proposed rents d. Service partner e. Supportive Services Plan f. Memorandum of Understandings (MOU)/Contracts g. Summary of Collaborative Effort h. Other <p>Exhibits 1-34 listed in Addendum III (Special Needs Rental) are <u>NOT</u> required).</p>
	20	<p>Community Revitalization Plan (if applicable) – Documentation from the appropriate local official, on official letterhead, identifying the address of the property, stating that the property is located in an area for which a community revitalization plan is in place, and demonstrating that the proposed housing project contributes to the plan.</p>
	21	<p>Trade Payment Breakdown – For acquisition/rehabilitation projects only.</p>
	22	<p>U.S. Department of Treasury Waiver (if applicable for tax-credit acquisition only)</p>
	23	<p>Projects Serving the Elderly - Must submit a drawing of building in which community space is located to receive points. The total square footage of the community space must be indicated in the drawing. (The drawing must be small enough to fit in a binder, but can be a fold-out. To receive the points, it must also clearly indicate the location and size of the community room.)</p>
	24	<p>Preservation Holdback – In addition to applicable exhibits 1 - 31, the following must be submitted:</p> <ul style="list-style-type: none"> a. A current (within 1 year) independently prepared Capital Needs Assessment b. A copy of the project's latest financial audit. c. An income and expense analysis that must include a provision for Replacement Reserve funding that is acceptable to the lender and equity partner, and is not less than the amount stipulated for the Low Income Housing Tax Credit Program. d. Documentation demonstrating a less than 10% increase in gross rent over previous levels following rehabilitation. e. Documentation demonstrating the preserving of existing project-based subsidies.
	25	<p>High-Speed Internet – New construction projects will be required to provide certification from the architect that all units will be equipped for high-speed internet capability. This may be accomplished by wiring each unit with at least one Category 5 network wall socket or by installing a wireless Local Area Network server and providing each unit with at least one wireless LAN card. (See Tab HH)</p>

EXHIBIT CHECKLIST

Addendum I / Addendum V:

LIHTC / modified pass-through program

✓	#	
	26	Verification of use of Michigan Products – To demonstrate the use of products and goods that are manufactured by Michigan-based corporations in the proposed development, an Architects Certificate must be submitted. See Tab HH for certification language requirements. (See Tab HH)
	27	<p>Cool Cities Holdback – In addition to applicable exhibits 1 - 30, the following must be submitted:</p> <ol style="list-style-type: none"> 1. Provide a map outlining the entire Cool Cities neighborhood showing where the development is located within the Cool Cities neighborhood boundaries. The map must also outline the Cool Cities neighborhood relative to its: <ol style="list-style-type: none"> a. Arts and culture; b. Pedestrian-friendly environment/pedestrian activity; c. Residential and commercial density; d. Historic district, if applicable; and e. Recreational opportunities/parks 2. Support from the local unit of government: <ol style="list-style-type: none"> a. Provide an executed letter of support from the local government on official letterhead that shows support for the project. 3. Provide a letter on official letterhead executed by a representative of the Cool Cities neighborhood (Catalyst grantee) entity verifying that you have discussed the development with him/her. In this correspondence the grantee must outline the following: <ol style="list-style-type: none"> a. How the development blends with the goals of the Cool Cities neighborhood plan. b. How the development will improve or enhance successful revitalization in the neighborhood. c. The various sources of financing that have been committed within the boundaries of the Cool Cities designation, i.e., federal, state, or local monies, grants, philanthropic donations, conventional financing.
	28	Financial Capacity and Creditworthiness – Financial Statements of sponsors and contractors must be submitted for all projects. See LIHTC Policy #20 in Tab W.
	29	<p>A Description of the proposed credit enhancement and a statement as to the amount of tax-exempt bonds (and taxable bonds when appropriate) that is necessary.</p> <p>SUBMIT WITH PASS-THROUGH FINANCING ONLY</p>
	30	<p>An agreement to pay all costs of issuing the bonds and to compensate the professional team for the issue, including the underwriter, trustee, and bond counsel, at no cost to the Authority.</p> <p>SUBMIT WITH PASS-THROUGH FINANCING ONLY</p>
	31	<p>For acquisition/rehabilitation of existing properties, a third party "Comprehensive Needs Analysis" identifying and substantiating the scope of rehabilitation and estimated costs.</p> <p>SUBMIT WITH PASS-THROUGH FINANCING ONLY</p>

MISCELLANEOUS QUESTIONS

1. Annual amount of Tax Credit requested: _____

2. Is this application being submitted for additional credit? ☐ Yes ☐ No
 If yes, how much credit has been reserved from the first application? _____

3. Has a Low Income Housing Tax Credit application been submitted for this project in a previous funding round?
☐ Yes. Date(s) of submission: _____
☐ No.

4. Is this a second or third phase of a project which received tax credit for an earlier phase? (For new construction, sponsors may only apply for one phase per year if the combined total number of units is more than 150.)
☐ Yes. Status of earlier phase(s) _____
☐ No.

5. Have any of the sponsors involved in this project received tax credit reservations in Michigan for the current year?
☐ Yes. List the project names and amounts of the tax credit reservations received below:

	\$	
	\$	
	\$	

☐ No.

6. Have any of the sponsors submitted other tax credit applications in Michigan for this funding round?
☐ Yes. List project names: _____
 (Sponsors are limited to 20% of the annual credit available per calendar year.)
☐ No.

TYPE OF LOW INCOME HOUSING TAX CREDIT REQUESTED

(Check applicable category)

- ☐ New construction without federal subsidies
☐ New construction with federal subsidies
☐ Rehabilitation only without federal subsidies
☐ Rehabilitation only with federal subsidies
☐ Acquisition and rehabilitation without federal subsidies
☐ Acquisition and rehabilitation with federal subsidies

MINIMUM SET-ASIDE ELECTION (Check one only)

- ☐ At least 20% of the residential rental units in the project will be income restricted and rent restricted to serve individuals and families whose income is no greater than 50% of area median income, adjusted for family size (**20/50**). (If this set-aside is elected, **ALL** tax credit units in the project must be income and rent restricted at no greater than 50% of area median).
☐ At least 40% of the residential rental units in the project will be income restricted and rent restricted to serve individuals and families whose income is no greater than 60% of area median, adjusted for family size (**40/60**).

LONGEST LOW INCOME USE (Complete the following)

The owner will sign a covenant running with the land agreeing to serve qualified low income tenants in the percentage outlined above for _____ years in addition to the minimum required 15 years, for a total of _____ years.* **See table below for calculation assistance.**

	Example	Actual
Minimum required number of years:	15 Years	15 Years
Additional Years:	+ Additional Years	
Total # of Years (line 1 plus line 2):	= Total # of Years*	

*You will be required to keep the project low income for a minimum of 30 years.

FEDERAL SUBSIDIES

The owner is electing to:

- ☐ Include the federal funds in eligible basis and request 30% present value (4%) credit.
☐ Exclude the federal funds from eligible basis and request 70% present value (9%) credit.
☐ Federal funds - 40% of the units in each building will be rented to families whose incomes do not exceed 50% of the area gross median income to qualify for the 70% present value (9%) credit. (HOME and NAHASDA)
☐ Federal funds will be loaned at or above the AFR to qualify for the 70% present value (9%) credit.

ACQUISITION/REHABILITATION INFORMATION

For projects involving rehabilitation, the hard construction cost of the buildings must not be less than \$5,000 per unit, \$10,000 per unit if applying under the Preservation Holdback.

1. Has the project ever operated under a different name? ☐ Yes ☐ No
List previous name(s) of project: _____

2. Rehabilitation projects (Check only one)

- ☐ Project will create new low income units through rehabilitation of units that have not been available for at least 1 year.

NOTE: Acquisition Credit will only be allocated to projects which meet one of the two preservation categories described below:

- ☐ Project will preserve already existing low income units which are within 2 years of any permitted prepayment or equivalent loss of low income use restrictions **AND** will remain low income for the longer of the initial tax credit period or the length of the mortgage.

- ☐ Project will preserve already existing low income units which show a significant need for repair in order to achieve or maintain habitability.

3. Project is substantially functionally obsolete or will provide modifications or betterments consistent with new code requirements or the Authority's design requirements.

- ☐ Yes ☐ No

4. Existing subsidies involving acquisition/rehab (Check all applicable)

- | | |
|---|--|
| <input type="checkbox"/> 221(d)(3) Below Market Interest Rate | <input type="checkbox"/> RHS |
| <input type="checkbox"/> Section 236 | <input type="checkbox"/> 202 |
| <input type="checkbox"/> Section 8 (Project based) | <input type="checkbox"/> HUD Financed or Insured |
| <input type="checkbox"/> The Project Will Retain Federal Assistance | <input type="checkbox"/> Other |

5. Is the project in a compliance period for a previous tax credit allocation?
(Received credit within the last fifteen years) ☐ Yes ☐ No
If Yes, the project does not qualify for credit.

6. Number of buildings to be rehabilitated: _____

7. Total number of units to be rehabilitated: _____

8. How many units are currently occupied? _____

9. If the units are occupied, how many are occupied by tax credit eligible tenants? _____
How many are occupied by market-rate tenants? _____

10. If any units are unoccupied, how long have they been vacant? _____
11. Has rehabilitation work greater than 25% of the adjusted project basis been performed during the 10 years prior to its acquisition by the owner?
☐ Yes. Dates: _____, _____, _____
☐ No.
12. The total number of buildings to be acquired is: _____
13. Number of buildings currently under control is: _____
14. Will the buildings be acquired from a related party? ☐ Yes ☐ No
15. Actual or projected acquisition date: _____
16. Date project was last placed in service: _____
17. Date of last substantial improvements: _____
18. If less than 10 years since last placed in service, is the project eligible for a waiver from the Secretary of the U.S. Department of Treasury?
☐ Yes. Date request submitted: _____
Actual/projected date of approval: _____
Attach copy of approval of waiver as **Exhibit 22**
☐ No
19. Does the buyer's basis equal the seller's basis? ☐ Yes ☐ No
20. Are any of the buildings owner-occupied single family dwellings?
☐ Yes.
☐ No.
21. Were/are any of the buildings:
Purchased from a decedent's estate?
☐ Yes.
☐ No.
22. Purchased from a nonprofit or government; or Tax Exempt?
☐ Yes.
☐ No.
23. Acquired through gift/non-purchase?
☐ Yes.
☐ No.
24. Preserves Low Income Housing from market rate?
☐ Yes.
☐ No.
25. Qualified PIS/Sub-Rehab Date: _____

26. Approval for asset transfer required from HUD?

☐ Yes. Dates obtained: _____

☐ No.

27. Approval for asset transfer required from RHS?

☐ Yes. Dates obtained: _____

☐ No.

(Must have submitted the application for transfer of physical assets prior to submission of application for tax credit.)

28. Complete the following:

Address of Buildings	Placed in Service Date by the Previous Owner	Actual/Proposed Date of Acquisition by Applicant	Number of Years Between Placed in Service and Acquisition

SYNDICATION INFORMATION

1. Type of offering:

☐ Public Placement ☐ Private Placement ☐ Owner Keeping Credit

2. Name: _____
Street Address _____
City _____ State _____ Zip _____
Contact Person _____
Telephone # with Area Code _____ Fax # with Area Code _____
E-Mail Address: _____

3. Investors:

☐ Individuals ☐ Corporations ☐ Other

4. Amount of Federal Historic Tax Credit: \$ _____

5. Estimated proceeds to project from Federal Historic Rehabilitation Tax Credit:

6. Amount of State Historic Tax Credit: \$ _____

7. Estimated proceeds to project from State Historic Rehabilitation Tax Credit:

8. Amount of Brownfield Credit: \$ _____

9. Estimated gross proceeds to project from Brownfield Credit:

10. Estimated gross proceeds to project from Low Income Housing Tax Credit:

11. Estimated net proceeds to project from Low Income Housing Tax Credit:

12. If there is a difference between gross and net proceeds, indicated in questions ten and eleven above, identify the page numbers in the partnership agreement where these amounts appear:

13. Amount of syndication expenses incurred by the sponsor (excluding bridge loan costs):

14. Schedule of equity pay-ins to project:

Year # or Estimated Date	Amount
	\$
	\$
	\$

15. Estimated Amount of annual tax credit the syndicator will receive: _____

16. Indicate the page number from the limited partnership agreement/syndication document that references this amount: _____

17. Indicate the equity contribution per dollar of annual tax credit: _____

18. Indicate the page number from the limited partnership agreement/syndication document that references this amount: _____

19. Type of Syndication Commitment:

☐ Limited Partnership Agreement

Partnership Name: _____

☐ Notarized Letter(s) from Individual Investor(s)

List investor name(s)

☐ Letter of Commitment from Syndicator

☐ Other, Describe: _____

20. Describe any special conditions, contingencies, etc. affecting the syndication.

DETERMINING QUALIFIED BASIS ON A BUILDING-BY-BUILDING BASIS

Be sure to include number of units per building. Qualified basis must be determined on a building-by-building basis. List clubhouse(s) or community building(s) last, and DO NOT include an eligible or qualified basis for the clubhouse(s) or community building(s). BUT DO distribute the eligible and qualified basis of these buildings evenly among all residential buildings. Also, the market rate units must be evenly distributed among bedroom types and buildings, except for elderly projects. Make extra copies of this form if necessary.

		UNITS PER BUILDING				SQUARE FEET PER BUILDING					
Bldg #	Addresses (Street, city, zip code)	# of LIHTC Units	# of Market Units	# of Manager/ Employee Units (Common Space)	Total # of Units in Building	Square Footage Of LIHTC Units	Square Footage of Market Units	Sq Foot of Mgr/Emp Units (Common Space)	Total Square Footage in Building	Qualified Basis	PIS** Date mm/dd/yy

***TOTALS SHOULD MATCH THOSE ON CHART AT TOP OF PAGE 3 OF PRIMARY APPLICATION**

****New Construction:** The PIS date must include mm/dd/yy. The PIS date entered above must be no earlier than the date stated on the temporary or permanent Certificate of Occupancy for the building.

****Rehabilitation:** -Occupied units require a statement from the local government, a CPA or an architect identifying the mm/dd/yy of Placed in Service for each building.
- OR -
-Vacant units require the final Certificates of Occupancy issued by the municipality. The PIS date must be no earlier than the date stated on the temporary or permanent Certificate of Occupancy for the building.

NOTE: If the date used for PIS is the date of the temporary Certificate of Occupancy, include the temporary Certificate of Occupancy in the appropriate exhibit.

The PIS date shown on this page will be used as the PIS date on the 8609.

SCORING SUMMARY

COMPLETION & SUBMISSION OF THIS SCORING SUMMARY IS MANDATORY

Any changes to a project that require a re-scoring or re-evaluation in which the score falls below the minimum threshold of the category in which it was funded will not be allowed from the time of initial application until the project is placed in service.

Shaded areas are for MSHDA use only.

Project Name:	
City/Twp:	
County:	
<u>Category</u> (check one): 1. General <input type="checkbox"/> 2. Preservation Holdback <input type="checkbox"/> 3. Small Projects Holdback <input type="checkbox"/> 4. Special Needs Holdback <input type="checkbox"/> 5. Cool Cities Holdback <input type="checkbox"/> 6. Tax Exempt <input type="checkbox"/>	Funding Round: Self Score: Threshold Score: Final Score Awarded: Lottery Number:
<u>Set-Aside</u> (check all in which the project qualifies): 1. Elderly <input type="checkbox"/> 2. Nonprofit <input type="checkbox"/> 3. Distressed <input type="checkbox"/> 4. Rural <input type="checkbox"/>	

Selection Criteria	Possible Points	Self Score	Awarded
A. Project Location	63 Points Total		
1. Housing Needs Characteristics			
a. Census Tract Needs Score (From www.michigan.gov/mshda) ¹ Census tract(s) #: _____	20	_____	_____
b. County Needs Score (From Tab N of Combined Application)	10	_____	_____
c. Location in Principal City (From Tab S of Combined Application)	5	_____	_____
2. Locality/Neighborhood¹ <p>Points will be awarded to projects that are located in any of the following designated areas. Applicants will receive 1 point for each designation up to a maximum of 5 points total.</p> <ul style="list-style-type: none"> ▪ Empowerment Zone (See Tab L) <input type="checkbox"/> ▪ Enterprise Community (See Tab L) <input type="checkbox"/> ▪ Renaissance Zone (See Tab M)* <input type="checkbox"/> ▪ Core Community (See Tab Y) <input type="checkbox"/> ▪ County in which a total of fewer than 100 units have been allocated tax credits (See Tab G) <input type="checkbox"/> ▪ Cool Cities Neighborhood (See Tab FF)** <input type="checkbox"/> ▪ Renewal Community (See Tab L) <input type="checkbox"/> ▪ Federally recognized American Indian reservations* <input type="checkbox"/> <p>* Documentation must be provided in Exhibit 18. Include census tract numbers where applicable.</p> <p>** Documentation must be provided in Exhibit 18. Include census tract numbers where applicable. If applying under the Cool Cities Holdback, all information in Exhibit 27 must also be provided.</p>	5	_____	_____

¹ Census Tract Needs Scores and Locality/Neighborhood Points can be obtained by locating the site using the LIHTC Point Scores system on MSHDA's web site. The LIHTC Point Score system may be found at www.michigan.gov/mshda. Under the box labeled "spotlight" is a link to the Combined Application for Rental Housing Programs. The link for the LIHTC Point Scores is located with the Combined Application. If a project is located in multiple census tracts with different scores, add the scores for each individual tract and divide by the total number of census tracts.

Selection Criteria	Possible Points	Self Score	Awarded
<p>3. Walkable Community Features</p> <p>Points will be awarded to projects for each of the following features:</p> <ul style="list-style-type: none"> a. Sidewalks adjacent to multi-family buildings (or throughout scattered-site projects) that connect to sidewalks in surrounding area b. Pedestrian street crossing within five hundred feet of any residential structure that is part of the project c. Public transportation stop within five hundred feet of any residential structure that is part of the project d. Commercial zone within one-quarter mile e. Public park within one-quarter mile f. Within one-tenth mile of government-recognized historic building/district g. Property adjacent to public street with maximum speed limit of 25 mph h. Property adjacent to public street with designated bicycle lane <p>Local maps highlighting the project location and features of the surrounding area must be included with an application claiming any of the above points. Maps must be legible and to scale, and specific distances to local features must be indicated. (Submit as Exhibit 10)</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
<p>4. Sewer and Water Lines</p> <p>Points will be awarded to new construction projects that utilize existing sewer and water lines. Verification from the municipality and/or local utility company verifying the existence of water and sewer lines to the project must be submitted. (Submit as part of Exhibit 4)</p>	<p>5</p>	<p>_____</p>	<p>_____</p>

Selection Criteria	Possible Points	Self Score	Awarded
5. Community Revitalization For projects in a location where a community revitalization plan is in place and a sponsor can demonstrate that the proposed development contributes to the plan, points will be awarded to: <ul style="list-style-type: none"> a. Projects utilizing existing housing b. Projects located in a qualified census tract or on tribal land Projects may receive points under both (a) and (b).	5 5	_____ _____	_____ _____

B. Project Financing			20 Points Total	
1. Tax Abatement A project application that submits evidence of local support in the form of tax abatement may receive points according to the chart below. These points will not be available to acquisition and/or rehabilitation projects for which tax abatement has previously been in place. To receive any points for tax abatement, any project specific tax abatement ordinance or area-wide tax abatement ordinance with a qualifying resolution submitted with an application must meet Authority requirements and must state the length of time the PILOT will be in effect. Projects located in the City of Detroit must submit the project specific tax abatement resolution or a copy of the Detroit tax abatement ordinance, and a letter from the City of Detroit stating that the project is eligible for tax abatement. If location in a Renaissance Zone is presented as evidence of tax abatement, the project must document that tax abatement will be effective for the 15 year compliance period. Points will be awarded under the highest applicable category, not under multiple categories.			10	_____
Tax Abatement Categories	Elderly Project	Family, Handicapped, Transitional, and/or Homeless Project		
Letter of support from local municipality	1 Point	2 Points		
Letter from municipality stating that the PILOT ordinance will be in effect for 15 years or more, it is on the approving board's agenda, and the date that the PILOT is expected to be approved	3 Points	4 Points		
Project-specific tax abatement ordinance in place for the 15 year compliance period	5 Points	10 Points		

Selection Criteria			Possible Points	Self Score	Awarded
2. Federal, State, or Local Funding Projects utilizing financing or contributions from federal, state, or local sources (exclusive of Fannie Mae and Freddie Mac) where the credit is needed to make a project feasible or to serve very low income families (e.g., HOME, CDBG, etc.) may receive from 2 to 10 points. Evidence of the financing (including amount, terms, and interest rate), dated within 30 days of the application submission, must be submitted with the application. To obtain points for CIP or AHP financing, a commitment letter from the FHLB must be submitted. Points will be awarded only for long-term permanent financing. Loan guarantees do not qualify for points. (Refer to Section VI(A)(2) on page 14 of Primary Application)			10	_____	_____
Funding Categories	CIP	MSHDA, HOME, RHS, AHP, HUD, CDBG, State/Federal Historic Tax Credits			
Projects utilizing federal, state or local permanent financing for 10 - 40% of total costs	2 Points	5 Points			
Projects utilizing federal, state, or local permanent financing for more than 40% of total costs	5 Points	10 Points			

Amount of total development cost: \$		
Type of Financing	Amount of Financing	% of TDC
1.	\$	%
2.	\$	%
3.	\$	%
4.	\$	%

Selection Criteria	Possible Points	Self Score	Awarded
C. Project Characteristics 105 Points Total			
<p>1. Reservation for Families with Children / Community Space for Elderly Projects</p> <p>Family projects that reserve at least 10% of the two or more bedroom units* for households with children will receive 5 points. These points are not available to projects serving the elderly. (Refer to Section IV(B)(1) on page 10 of Primary Application)</p> <p>Reserved units: _____ Total 2+ bedroom units*: _____ Percentage: _____</p> <p>— or —</p> <p>Projects serving the elderly that qualify for the elderly set-aside will receive 5 points for providing community space for use by tenants. To receive points, the community room must, at a minimum, be sized at 15 square feet (net usable floor space) per residential unit. It may be used for activities such as dining, crafts, exercise, medical clinic, socializing, or any other activity or use that may benefit elderly tenants. This space is envisioned as one room or contiguous space, and does not include common space such as hallways, offices, or lobbies. A drawing identifying square footage must be submitted for <u>all</u> community space. (See Exhibit 23)</p> <p>Total residential units*: _____ Minimum square footage: _____ (Res. units X 15) Community space provided: _____</p> <p>*Including market-rate units, but excluding management units</p>	5	_____	_____
<p>2. Economic Integration</p> <p>Projects that promote economic integration by serving market rate tenants in at least 20% of residential units (exclusive of management units) will receive 5 points. Market rate units must be evenly distributed among bedroom types and buildings, except in elderly projects. The IRS statute states that scattered site projects cannot include market rate units.</p> <p>Total residential units*: _____ Number of market rate units: _____ Percentage of market rate units: _____</p> <p>*Including market-rate units, but excluding management units</p>	5	_____	_____

Selection Criteria									Possible Points	Self Score	Awarded
3. Low Income Targeting Preference points will be awarded to projects according to the table below insofar as the owner also agrees to restrict rents for those tenants to 30% of the applicable imputed household income for the applicable bedroom size. Both income and rents for scoring purposes will be based on statewide median income. No points will be awarded for units serving tenants at income and rent levels higher than 50% of statewide median (in no event can credit be awarded to units where income and rent levels exceed 60% of area median). The lower rent targeting must be evenly distributed among bedroom types except for developments earning points for Special Needs Targeting below. Also, the market rate units must be evenly distributed among bedroom types and buildings, except for elderly projects. (See calculation instructions and conversion worksheet on page I-23 of Addendum I)									50	_____	_____
Points Matrix	Percent of Statewide Median Income										
Percent of Low Income Units to Total Units		50	45	40	35	30	25	20			
	50	25	27.5	30	32.5	35	37.5	40			
	45	22.5	25	27.5	30	32.5	35	37.5			
	40	20	22.5	25	27.5	30	32.5	35			
	35	17.5	20	22.5	25	27.5	30	32.5			
	30	15	17.5	20	22.5	25	27.5	30			
	25	12.5	15	17.5	20	22.5	25	27.5			
	20	10	12.5	15	17.5	20	22.5	25			
	15	7.5	10	12.5	15	17.5	20	22.5			
	10	5	7.5	10	12.5	15	17.5	20			
	5	2.5	5	7.5	10	12.5	15	17.5			
Percentages falling between those outlined in the table will be rounded downward. Each point increment will be used only once in the calculation of total points.											

How To Calculate Low Income Targeting Points Using The Statewide Median Income (SMI)

STATEWIDE MEDIAN INCOME GROSS RENT LIMITS

**THIS IS AN EXAMPLE ONLY, IT DOES NOT CONTAIN CURRENT LIMITS
PLEASE SEE TAB E FOR CURRENT LIMITS**

SMI	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
50%	\$504	\$540	\$648	\$748	\$835	\$921
45%	\$453	\$486	\$583	\$673	\$751	\$829
40%	\$403	\$432	\$518	\$599	\$668	\$737
35%	\$352	\$378	\$453	\$524	\$584	\$645
30%	\$302	\$324	\$388	\$449	\$501	\$552
25%	\$252	\$270	\$324	\$374	\$417	\$460
20%	\$201	\$216	\$259	\$299	\$334	\$368

Follow the instructions below to complete the Conversion Worksheet on page I-25:

1. In columns *A*, *B*, and *C* of the Conversion Worksheet, copy the number of bedrooms, number of units, and AMGI from page 10 of the Primary Application.
2. In column *D* of the Conversion Worksheet enter the rent limit(s) from Tab E of the Primary Application for Rental Housing Packet. Note: Use maximum gross rents by bedroom size shown on the right hand side of the page for the applicable county.
3. Compare the gross rent limit for each unit size in column *D* with the gross rents for the same bedroom size listed in the chart above. Enter the applicable SMI % in column *E*. If for example, on page 10 of the Primary Application you have identified a 1 BR unit with a gross rent of \$225 -- which is 30% of the AMGI, compare the \$225 for the 1 BR unit to the chart above. Note: Since the 1 BR rent can go up to \$270 and remain at 25% of the SMI, a rent of \$225 falls within the 25% range of SMI. Consequently, you would enter 25% in column *E*.
4. In column *F* enter the SMI percentages from column *E* equaling *50% SMI or lower*.
5. In column *G* enter the total number of units that fall within a given SMI % regardless of their bedroom sizes. For example, if columns *B* and *E* indicate two 1BRs at 50% AMGI and two 2BRs at 50% AMGI, add the one and two bedrooms. Consequently, column *G* would reflect 4 units at 50%.
6. To calculate column *H*, divide the total number of units (exclusive of managers units) by each line item in column *G*. For example, if the project has a total of 8 units and column *G* shows 4 units, divide column *G*, 4 units at 50%, by 8, the total number of units. Column *H*, therefore, represents the percent of low income tenants to total units, or in this example column *H* is 50%.
7. To determine the points received in Column *I*, compare columns *F* and *H* to the matrix on previous page (I-22).

EXAMPLE

Using 2001 data

CONVERSION WORKSHEET

Use to calculate low income targeting points

COUNTY: Huron CountyTOTAL NUMBER OF UNITS: 55
(Exclusive of management units)

FROM PAGE 10 OF PRIMARY APPLICATION			FROM TAB E	USE CHART TAB E
# of Bedrooms -A-	# of Units -B-	AMGI % -C-	Gross Rent Limit for AMGI % -D-	SMI % -E-
1	12	50%	400	40%
2	12	50%	480	40%
3	3	50%	555	40%
4	1	50%	618	40%
1	12	60%	480	45%
2	12	60%	576	45%
3	2	60%	666	45%
4	1	60%	742	45%

SMI % (List SMI %(s) shown in E; exclude over 50%) -F-	Total # of Units in Each SMI % -G-	SMI's Unit % (G / Total # of Units) -H-	USE CHART PAGE I-22 # of Low Income Tenant Points -I-
40%	28	50%	30
45%	27	49%	25
Total Points:			55
Total Points Awarded:			50

CONVERSION WORKSHEET

Use to calculate low income targeting points

COUNTY: _____

TOTAL NUMBER OF UNITS: _____
(Exclusive of management units)

[illegible]

SMI % (List SMI % (s) shown in E; exclude over 50%) -F-	Total # of Units in Each SMI % -G-	SMI's Unit % (G / Total # of Units) -H-	USE CHART PAGE I-22
			# of Low Income Tenant Points -I-
Total Points:			
Total Points Awarded:			

Selection Criteria	Possible Points	Self Score	Awarded
<p>4. Special Needs Targeting</p> <p>Points will be awarded to experienced organizations* that agree to commit 10% or more of a development's units to serving persons with special needs who receive substantial support services. (Applicants must submit the exhibits listed on page 9 of Addendum III in order to receive points under this section)</p> <p>*Experienced organizations must have demonstrated and documented:</p> <ul style="list-style-type: none"> <input type="checkbox"/> At least 5 years' experience developing, owning, or managing Low Income Housing Tax Credit properties <input type="checkbox"/> At least 5 years' experience providing special needs services <input type="checkbox"/> No outstanding/unresolved compliance issues <input type="checkbox"/> No instances of credit being returned to the Authority <input type="checkbox"/> Qualification for nonprofit participation points under Section D(6) of this Scoring Summary if organization is nonprofit 	5	_____	_____
<p>5. Extended Low Income Use</p> <p>Projects that agree to extend the period of low income use beyond the 15-year compliance period will receive 1 point for each full additional year up to a maximum of 30 points for 30 additional years. A minimum of 30 years' low-income use is required for all projects. (Refer to page I-9 of Addendum I)</p>	30	_____	_____
<p>6. Lease/Purchase</p> <p>Projects that agree to transfer 100 percent of the housing tax credit units ownership at the end of the initial 15-year compliance period from the initial ownership entity of the project to tenant ownership will receive 3 points. These points will be available only for single family, townhouse or duplex units. To qualify for the points, the owner must provide a detailed proposal for eventual tenant ownership. (Refer to Section II(B)(1) on page 1 of Primary Application) (See Tab W, LIHTC Policy #16 for qualifications)</p> <p>Projects receiving these points are not eligible for extended low-income use points above [C(5)] without Authority approved deed restrictions or land trusts.</p>	3	_____	_____

Selection Criteria	Possible Points	Self Score	Awarded
7. Michigan Products Projects that can demonstrate the use of products and goods that are manufactured by Michigan-based corporations in the proposed development will receive two points. (Submit certification from architect as Exhibit 26) (See Tab HH)	2	_____	_____
8. High-speed Internet Rehabilitation projects can earn 5 points by giving each unit the ability to access the internet via a high-speed connection. This may be accomplished by wiring each unit with at least one Category 5 network wall socket or by installing a wireless Local Area Network server and providing each unit with at least one wireless LAN card. To receive points under this section, developers will be required to provide certification from the architect that all units will be equipped for high-speed internet capability. (Submit certification from architect as Exhibit 26) (See Tab HH)	5	_____	_____

D. Sponsor/Management Agent Characteristics			25 Points Total (positive)
1. Previous Experience of General Partner/LLC Previous successful participation by a general partner or member of a limited liability company in the proposed development utilizing the LIHTC or other programs producing low-income housing will receive the following points under the highest applicable category, not under multiple categories. Points are based on years placed in service. (Applicants must complete form on page 25 of primary application outlining previous experience in order to receive points under this section. Submit form as Exhibit 11a)			10 _____
Project Size, Placed in Service Yrs	Property outside Michigan	Property in Michigan	
6 units or fewer, > 3 years	1 Points	2 Point	
> 6 units, 1 to 3 years	3 Points	5 Points	
> 6 units, > 3 years	7 Points	10 Points	

Selection Criteria			Possible Points	Self Score	Awarded
2. Previous Experience of Management Agent Previous successful participation by a management agent in managing low-income housing tax credit projects, with at least three years of experience. Points will be awarded only if the date in which management began such project(s) is included in the application, and will be awarded under the highest applicable category, not under multiple categories. Points are based on years managed. (Applicants must complete form on page 26 of primary application outlining previous experience in order to receive points under this section. Submit form as Exhibit 11b)			5	_____	_____
Project Size, Years Managed	Property in Michigan	Property outside Michigan			
6 units or fewer, > 3 years	1 Point	1 Point			
> 6 units, > 3 years	5 Points	3 Points			
3. Poor Previous Participation of Sponsor Poor previous participation on the part of the owner, sponsor, developer, or any related party will be penalized in the form of negative points. This includes, but is not limited to, failure to utilize a Commitment or Allocation of credit, failure to meet requirements necessary to obtain a Carryover Allocation after notification has been provided to the Authority that the requirements would be met, inability to complete a previous project within three years of first submission, foreclosure or granting of a deed in lieu of foreclosure, failure to submit Owner's Certification and monitoring information, repeated failure to submit required documentation in a timely manner, or serious and repeated violation of program requirements as determined by the Authority. <i>Negative points will be imposed on sponsors for three years following the instance of poor participation.</i>			-20	_____	_____
4. Poor Previous Participation of Management Agent Poor previous participation on the part of the management agent will be penalized in the form of negative points. This may include, but is not limited to, failure to provide correct information on monitoring reports, failure to verify and/or calculate tenant income and rents in accordance with federal regulations, or serious and repeated violation of program requirements as determined by the Authority. <i>Negative points will be imposed on management for two years following the instance of poor participation.</i>					

Selection Criteria	Possible Points	Self Score	Awarded
<p>5. Affirmative Fair Housing Marketing Plan</p> <p>The Fair Housing Act prohibits discrimination in the sale, rental, financing, or other services related to housing on the basis of race, color, religion, sex, handicap, familial status, or national origin. Under the act, the Authority has a duty to administer programs that affirmatively advance fair housing. To assist the Authority in this duty, applications that include a formal Affirmative Fair Housing Marketing Plan may be eligible to receive points. This plan is designed to assure that persons who are members of racial or ethnic groups (who would not otherwise apply for occupancy in a housing project because of existing neighborhood racial or ethnic patterns, site locations, or other factors) are made aware of the available housing, feel welcome to apply for the housing, and have the opportunity to rent the housing. To receive points, refer to Tab P and attach evidence as Exhibit 12.</p>	5	_____	_____

Selection Criteria	Possible Points	Self Score	Awarded								
<p>6. Nonprofit Participation</p> <p>Projects involving nonprofit ownership will receive 5 points if all of the following criteria are met:</p> <ul style="list-style-type: none"> ▪ The nonprofit must be a 501(c)(3) or 501(c)(4) entity. ▪ The nonprofit must be a local, community-based organization with representation on its governing board from the local community in which the project is to be located, or representatives of the population it serves. ▪ The nonprofit must be organized in the State of Michigan, and must be in good standing. ▪ The nonprofit must not be affiliated with or controlled by any for-profit organization. ▪ No individuals or entities involved with or related to any potential for-profit participant in the development may be involved with or related to the creation or management of the nonprofit. ▪ The nonprofit must have been engaged in the business of fostering low-income housing in its geographic area of operation, or fostering housing for the population it serves, for a minimum of one year. ▪ The nonprofit must have more than a 50% general partner interest in the proposed project, have a concomitant interest in the developer fee, and must be the managing general partner of the project. ▪ The nonprofit must be actively involved with the local community in which the project is located. <p>If there is more than one nonprofit owner, the owner with more than 50% ownership must provide the required information.</p> <table border="0"> <tr> <td>Nonprofit Name</td> <td>% ownership</td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> </table> <p>Documentation Checklist (mark all included with application)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Documentation of federal 501(c)(3) or (4) status <input type="checkbox"/> Certified Articles of Incorporation* <input type="checkbox"/> Copy of by-laws <input type="checkbox"/> List of board of directors, if applicable (including address of each board member) <input type="checkbox"/> Executed agreement between the sponsor and the non-profit if the project is a joint venture <input type="checkbox"/> Description of the non-profit's previous experience in housing (use form on page 27 of the Primary Application) <input type="checkbox"/> Current Certificate of Good Standing* <input type="checkbox"/> Map outlining service area of non-profit, including specific location(s) and name(s) of affiliated or proposed developments <input type="checkbox"/> Narrative describing the non-profit's involvement in the local community <input type="checkbox"/> Proof of CHDO approval (if applicable) 	Nonprofit Name	% ownership	_____	_____	_____	_____	_____	_____	5	_____	_____
Nonprofit Name	% ownership										
_____	_____										
_____	_____										
_____	_____										

Selection Criteria	Possible Points	Self Score	Awarded
E. Readiness to Proceed	25 Points Total		
<p>1. Complete Readiness to Proceed</p> <p>Bonus points may be awarded for a project's Readiness to Proceed evidenced by submission at application stage of <u>all</u> of the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Firm commitment of all federal, state, and local financing or contributions which will apply to the project and are dated within 30 days of application submission² <input type="checkbox"/> Firm commitment for permanent financing, dated within 30 days of application submission, which is accepted by the sponsor³ <input type="checkbox"/> Firm commitment for construction financing, dated within 30 days of application submission, which is accepted by the sponsor. <input type="checkbox"/> All necessary local approvals <input type="checkbox"/> For projects needing tax abatement to achieve financial feasibility, the project specific tax abatement ordinance or an area-wide tax abatement ordinance with a qualifying resolution which meet Authority requirements^{4,5} <input type="checkbox"/> Evidence from the municipality of final site plan approval⁶ <input type="checkbox"/> Evidence from the municipality of proper zoning⁷ <input type="checkbox"/> Formation of ownership entity⁸ <p>Projects receiving points under this category will be required to proceed to closing and disbursement of the construction loan or equity syndication proceeds and, within 120 days of the issuance of the Reservation by the Authority, to provide the Authority with copies of the following:</p> <ul style="list-style-type: none"> ▪ Final executed partnership agreement if syndication has occurred ▪ Record of the disbursement of the equity or construction loan ▪ Recorded notice of commencement (or evidence that the notice has been received for recording) unless on tribal land ▪ Recorded deed to the property (or evidence that the deed has been received for recording) or long-term lease on tribal land ▪ All building permits necessary to begin construction, or a letter from the municipality stating that the permits will be issued upon payment of fees ▪ Appraisal and capital needs assessment for rehabilitation projects 	25	_____	_____

* Dated within 30 days of application date

2 For CIP financing, a commitment letter from the FHLB. For Authority financing, a copy of the Mortgage Loan Feasibility Resolution.

3 For RHS projects, the 1944-51 (multifamily housing obligation fund analysis) or a letter signed by an official of RHS which commits funds to the project; for conventional construction and permanent financing, letters of commitment from the lender which are accepted by the sponsor, or signed mortgage documents. For Authority financing, a copy of the Mortgage Loan Feasibility Resolution.

4 For projects located in the City of Detroit, the project specific tax abatement resolution, or the Detroit tax abatement ordinance and a letter from the City of Detroit stating that the project is eligible for tax abatement.

5 Projects not relying on tax abatement for financial feasibility must indicate tax expenses in the Application.

6 For rehabilitation projects, a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals are necessary.

7 For rehabilitation projects a letter from the municipality must be submitted, stating that the zoning is compatible with the proposed use of the buildings.

8 Documentation submitted to the Department of Labor and Economic Growth's Bureau of Commercial Services, and certification dated within 30 days of submission.

Selection Criteria	Possible Points	Self Score	Awarded
2. Partial Readiness to Proceed If a project does not qualify for complete readiness to proceed, it may receive points for each of the following. A project that receives points in the preceding section for complete readiness to proceed will <u>not</u> be awarded additional points for these items:			
a. Firm commitment for construction financing that is dated within 30 days of application submission and is accepted by the sponsor (for Authority financing, a copy of the Mortgage Loan Feasibility Resolution). (Attach as Exhibit 9a)	5	_____	_____
b. Evidence from the municipality that the proposed site is already properly zoned for the intended use. ⁹ (Attach as Exhibit 3)	5	_____	_____
c. Evidence from the municipality that the proposed site has received site plan approval. ¹⁰ (Attach as Exhibit 16)	5	_____	_____

F. Preservation Developments	20 Points Total		
Preservation developments will receive points for the following:* 1. Less than 10% increase in rent over previous levels following rehabilitation. 2. Preserving existing project-based tenant subsidies.	10 10	_____ _____	_____ _____
*All preservation developments receiving points will be required to meet all preservation holdback threshold requirements and underwriting standards, regardless of the category or holdback the project is submitted under.			

⁹ These points will be available for rehabilitation projects only if a letter from the municipality is submitted with the application stating that the zoning is compatible with the proposed use of the building(s).

¹⁰ These points will be available for rehabilitation projects only upon submission at application of a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals are necessary.

QUICK REFERENCE SHEET	Possible Points	Self Score	Awarded
A. Project Location			
1. Housing Needs Characteristics			
a. Census Tract Needs Score	20		
b. County Needs Score	10		
c. Location in Principal City	5		
2. Locality/Neighborhood	5		
3. Walkable Community Features			
a. Sidewalks	1		
b. Pedestrian Street Crossing	1		
c. Public Transportation	1		
d. Commercial Zone	1		
e. Public Park	1		
f. Historic Building/District	1		
g. Low Speed Limit	1		
h. Bicycle Lane	1		
4. Sewer and Water Lines	5		
5. Community Revitalization			
a. Existing Housing	5		
b. Qualified Census Tract or tribal land	5		
B. Project Financing			
1. Tax Abatement	10		
2. Federal, State, or Local Funding	10		
C. Project Characteristics			
1. Families with Children / Community Space	5		
2. Economic Integration	5		
3. Low Income Targeting	50		
4. Special Needs Targeting	5		
5. Extended Low Income Use	30		
6. Ownership Option	3		
7. Michigan Products	2		
8. High-speed Internet	5		
D. Sponsor Characteristics			
1. Previous Experience of General Partner/LLC	10		
2. Previous Experience of Management Agent	5		
3. Poor Previous Participation of Sponsor	-20		
4. Poor Previous Participation of Management Agent	-10		
5. Affirmative Fair Housing Marketing Plan	5		
6. Nonprofit Participation	5		
E. Readiness to Proceed			
1. Complete Readiness to Proceed	25		
2. Partial Readiness to Proceed			
a. Construction Financing Commitment	5		
b. Proper Zoning	5		
c. Site Plan Approval	5		
F. Preservation Developments			
1. Less than 10% increase in rent	10		
2. Preserving existing project-based tenant subsidies	10		
GRAND TOTAL			

**CERTIFICATION TO INCLUDE SECTION 8 EXISTING RENTAL
ALLOWANCE PROGRAM CERTIFICATE AND VOUCHER HOLDERS**

The undersigned agrees to include Section 8 Existing Rental Allowance Program certificate and voucher holders on the project's waiting list and to give them consideration. If there is a public housing agency within eight miles of the project which administers the Section 8 Existing Rental Allowance Program, the undersigned must contact the Section 8 office in writing on a yearly basis to advise them that consideration will be given to eligible Section 8 participants throughout the compliance period.

If there is no public housing agency within eight miles of the project the undersigned will contact the Section 8 Existing Rental Allowance Program affiliated with the Michigan State Housing Development Authority (MSHDA). Contact will be made in writing on a yearly basis throughout the compliance period notifying the MSHDA representative in the county in which the project is located that consideration will be given to eligible Section 8 certificate or voucher holders.

Dated: _____

Name of Project: _____

Owner: _____

By: _____

Its: _____

AGENCY POLICY ON CIVIL RIGHTS COMPLIANCE:

The owner/developer/borrower and any of its employees, agents or sub-contractors in doing business with the Michigan State Housing Development Authority (the "Authority") understands and agrees that it is the total responsibility of the owner to adhere to and comply with all Federal Civil Rights legislation along with any required related codes and laws. Should the Authority not specify any specific requirements, such as design, it is none the less the owners responsibility to be aware of and comply with all non-discrimination provisions relating to race, color, religion, sex, handicap, familial status, national origin and any other classes protected in the State of Michigan. This includes design requirements for construction or rehabilitation, Equal Opportunity in regard to marketing and tenant selection and reasonable accommodation and modification for those tenants covered under such laws.

Dated: _____

Name of Project: _____

Owner: _____

By: _____

Its: _____

**INTERNAL REVENUE SERVICE
TECHNICAL ADVICE MEMORANDA
CERTIFICATION**

We acknowledge that we are familiar with recently issued Internal Revenue Service Private Letter Rulings 200043015, 200043016, 200043017, 200044004, and 200044005, and that we have discussed the substance of these rulings with our Certified Public Accountant. We also acknowledge that these Private Letter Rulings may have an impact on the project's eligible basis, and the amount of credit that may be allocated to the project.

Dated: _____

Name of Project: _____

Owner: _____

By: _____

Its: _____

CERTIFICATION TO APPLICATION - MANDATORY

The undersigned is responsible for ensuring that the project consists or will consist of a qualified low income building or buildings as defined in Section 42 of the Internal Revenue Code of 1986, as amended, and will satisfy all applicable requirements of federal tax law in the acquisition, rehabilitation, or construction and operation of the project to receive the low income housing tax credit.

The undersigned is responsible for all calculations and figures relating to the determination of the eligible basis and qualified basis for any building or buildings and understands and agrees that the amount of credit reserved, committed, or allocated hereunder has been calculated pursuant to the representations made herein, and further, that all representations contained herein, whether with respect to costs or any other item, are considered material to the application.

The undersigned, on behalf of the ownership entity that will be the owner of the project agrees that, prior to the issuance of IRS forms 8609, the Owner will sign IRS form 8821, Tax Information Authorization, authorizing the Internal Revenue Service to provide the Michigan State Housing Development Authority with information pertaining to this project.

The undersigned agrees that the Michigan State Housing Development Authority will at all times be held harmless against any losses, costs, damages, expenses, or liabilities whatsoever, of any kind, including but not limited to attorney fees, litigation costs, amounts paid in settlement, or any loss of whatsoever nature directly or indirectly resulting from, arising out of, or related to consideration, approval, disapproval, or acceptance of this request for tax credit.

The Michigan State Housing Development Authority offers no advice, opinion, or guarantee that the applicant or the proposed project will ultimately qualify for or receive low income housing tax credit.

Any Reservation or Commitment received as a result of filing this application shall not bind the Michigan State Housing Development Authority to issue a low income housing tax credit allocation.

An application fee in the amount of \$_____ is enclosed. This fee represents the sum of:

- ☐ \$35 for each proposed low income unit, with a maximum of \$1,500, if this is the **first, second or third** application you are submitting for this funding round.
- ☐ \$50 for each proposed low income unit, with a maximum of \$2,000, if this is the **fourth or higher** application you are submitting for this funding round.

Dated: _____ Name of Project: _____

Owner: _____

By: _____

Its: _____

Name of Project _____
Owner ☐ Management Company ☐

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LOW INCOME HOUSING TAX CREDIT PROGRAM**

AUTHORIZATION FOR RELEASE OF INFORMATION

Date: _____

Please duplicate this form and submit one for each state, EXCEPT MICHIGAN, in which any sponsor listed in this tax credit application has an ownership interest in a tax credit assisted project, and one for the management company that is listed in this tax credit application that has management experience of a tax credit assisted development. Forms should also be filled out for project owners or management companies who have done business under a different name or names.

Low Income Housing Tax Credit Administrator

(State) _____ Housing Credit Agency

(Street Address)

(City, State, Zip)

We hereby request and authorize you to release to the Michigan State Housing Development Authority (MSHDA) any information that you have regarding _____
(Please check only one box. ☐ owner and/or ☐ management company) as it relates to project compliance, the curing of or failure to cure any project noncompliance, and any formal or informal action taken by your agency with respect to _____'s (owner and/or management company) participation in your Low Income Housing Tax Credit Program. Other data that would be relevant to MSHDA in its assessment of their development experience and compliance record would be appreciated. If you have any questions, please contact Ted S. Rozeboom, Director of Legal Affairs, at (517) 373-6007. Thank you in advance for your cooperation.

Company: _____

By: _____
(Signature)

Name: _____
(Typed)

It's: _____
(Title)

Identify below the name(s) of the project(s) you have an ownership interest in and/or manage in the above-identified state:

1. _____

5. _____

2. _____

6. _____

3. _____

7. _____

4. _____

8. _____

SPONSOR CERTIFICATION - MANDATORY

This certification must be signed by each sponsor of the project. If there is more than one sponsor, this page must be duplicated.

The undersigned hereby certifies that neither I, nor any company with whom I am affiliated, is currently banned or involved in litigation with any other state credit allocating agency as of this date.

Company: _____ By: _____
(Signature)

Date: _____ Name: _____
(Typed)

It's: _____
(Title)

A SPONSOR THAT IS BANNED FROM PARTICIPATION IN THE TAX CREDIT PROGRAM IN ANOTHER STATE WILL BE BANNED FROM SUBMITTING AN APPLICATION FOR THE SAME PERIOD OF TIME. INVOLVEMENT IN LITIGATION WILL NOT AUTOMATICALLY RESULT IN A RETURNED APPLICATION, BUT THE AUTHORITY WILL REVIEW THE FACTS AND CIRCUMSTANCES SURROUNDING THE LITIGATION.

The undersigned hereby certifies that I, or a company with whom I am affiliated, is involved in litigation with another allocating agency at the time of submission of this application. The details of the litigation are outlined below.

Company: _____ By: _____
(Signature)

Date: _____ Name: _____
(Typed)

It's: _____
(Title)

WAIVER OF RIGHT TO EXTENDED USE PERIOD TERMINATION - MANDATORY

In accordance with Michigan's Qualified Allocation Plan, the Applicant hereby waives the right to termination of the extended use period provided by Section 42(h)(6)(E)(i)(II) of the Internal Revenue Code.

Section 42(h)(6) of the Internal Revenue Code provides:

(6) BUILDINGS ELIGIBLE FOR CREDIT ONLY IF MINIMUM LONG-TERM COMMITMENT TO LOW-INCOME HOUSING.---

- (A) IN GENERAL.---**No credit shall be allowed by reason of this section with respect to any building for the taxable year unless an extended low-income housing commitment is in effect as of the end of such taxable year.

(E) EXCEPTIONS IF FORECLOSURE OR IF NO BUYER WILLING TO MAINTAIN LOW-INCOME STATUS.---

- (i) IN GENERAL.---**The extended use period for any building shall terminate---

- (I)** on the date the building is acquired by foreclosure (or instrument in lieu of foreclosure) unless the Secretary determines that such acquisition is part of an arrangement with the taxpayer a purpose of which is to terminate such period, or
- (II)** on the last day of the period specified in subparagraph (I) if the housing credit agency is unable to present during such period a qualified contract for the acquisition of the low-income portion of the building by any person who will continue to operate such portion as a qualified low-income building. Subclause (II) shall not apply to the extent more stringent requirements are provided in the agreement or in State law.

Should a buyer be sought for a low-income housing development in the fourteenth year of the compliance period, the Applicant acknowledges that the Michigan State Housing Development Authority will not be obligated to find a buyer for the property. Furthermore, the extended use period will not terminate if a buyer cannot be found.

This waiver must be signed by the owner or an authorized agent thereof.

Signature

Printed Name

Title

Organization

TAX CREDIT WORKSHEET
RESERVATION / CARRYOVER / 5% INCREASE / PLACED IN SERVICE

Name of Proj. _____ Proj. # _____ Date _____

<i>GENERAL REQUIREMENTS LIMIT</i>		<i>BUILDER OVERHEAD LIMIT</i>			
On Site Improvements		Construction Contract			
+ Off Site Improvements		+ Gen. Req.			
+ Landscaping		= Adj. Const. Contract			
+ Structures		x 2% = Bldr. Overhead Limit			
Construction Contract ¹		¹ Include permanent appliances & environmental abatement in building			
x 6% = Gen. Req. Limit 2					
<i>BUILDER PROFIT LIMIT</i>		<i>DEVELOPER FEE LIMIT</i>			
Construction Contract		TDC			
+ Gen. Req. + Bldr. Overhead		+/- Adjustments/Reason			
= Adj. Const. Contract		+/- Adjustments/Reason			
x 6% = Bldr. Profit Limit 2		= Adjusted TDC			
<p>2 Projects of 49 units or less, may aggregate General Requirements, Builder Overhead, and Builder Profit to a maximum of 20% of the construction contract.</p> <p>3 For Preservation Holdback projects, a developer fee of 15% will be allowed on the rehabilitation and 10% on the acquisition. For projects of 49 units or less, a developer fee of 15% will be allowed for both acquisition and rehab.</p> <p>For TE projects of 49 units or less, the Dev Fee limit is 20%.</p>		- Dev. Fee + Overhead + Con. Fee			
		= Readjusted TDC			
		x 15%/20% = Dev. Fee Limit 3			
	<i>FROM APP</i>	<i>DIFFERENCE</i>	<i>FEE LIMITS</i>	<i>6/2/6%</i>	<i>20% Aggregate Percentages</i>
General Requirements				_____ % of Const. Contract	_____ % of Const. Contract
Builder Overhead				_____ % of Adj. Const. Contract	_____ % of Adj. Const. Contract
Builder Profit				_____ % of Adj. Const. Contract	_____ % of Adj. Const. Contract
Dev. Fee + Overhead + Consultant Fee				_____ % of TDC minus itself	Total %
<i>TOTAL DEVELOPMENT COST CALCULATION</i>			<i>FUNDING GAP CALCULATION</i>		
Adjusted Total Development Cost			Total Uses (Final Adjusted TDC)		
- Excess Developer Fee			- Syndication Costs		
FINAL ADJUSTED TDC			- Total Sources in documentation		
			FUNDING GAP		

TDC = Total Development Cost

TEB = Total Eligible Basis

4% CREDIT		9 % CREDIT		HISTORIC CREDIT	
Total Eligible Basis From Application		Total Eligible Basis From Application		Funding Gap	
-/+ Adj/Reason:		-/+ Adj/Reason:		- Historic Equity	
-/+ Adj/Reason:		-/+ Adj/Reason:		New Funding Gap	
Adjusted Eligible Basis		Adj. Elig. Basis Subtotal		4 Fed Hist Cr must be deducted from Basis.	
- Excess Unit Cost		- Excess Unit Cost		10 YR CR VALUE <u>LESS</u> THAN GAP	
Adjusted Eligible Basis		Adjusted Eligible Basis		Funding Gap	
X Low Income %		X Low Income %		- Ten Yr. Cr. Value	
X QCT (100% or 130%)		X QCT (100%/130%)		Adjusted Funding Gap	
TOTAL QUA BASIS		TOTAL QUAL BASIS		- 70% of the Dev Fee	
X Credit % (4%)		X Credit % (9%)		Remaining Funding Gap 5	
ANNUAL 4% CREDIT		ANNUAL 9% CREDIT		5 NOTE: Project is NOT feasible with a remaining Funding Gap	
		+ Annual 4% Credit		10 YR CR VALUE <u>MORE</u> THAN GAP	
TOTAL DEVELOPMENT COST/ UNIT		TOTAL ELIG CREDIT		Funding Gap	
Final Adjusted TDC		X Equity % Value X 10		Equity Value, 10	
Total Units		Ten Yr \$ Value of Credit		= Eligible Credit	
Cost Per Unit 7		FUNDING GAP		x Equity Value X 10	
7 If over 90,000, fill out HUD 221(d)(3) Limit Calculation Sheet				= 10 Yr. Credit Value	
REHAB COST PER UNIT			TAX EXEMPT FINANCING		
Hard Const Cost		Tax Exempt Loan Amt.			
Total Units		aggregate basis 8			
Rehab Cost/Unit 6		= Must be a min. of 50%			
6 Must be at least \$5,000 per unit/\$10,000 for Preservation Holdback		8 Eligible basis plus land			
RESERVATION			CARRYOVER		
Reservation		Carryover No.1			
+ 5 percent		+ Carryover No.# 2			
		TOTAL			
ANNUAL ELIGIBLE CR:	\$	CREDIT REQUESTED:		\$	

HUD 221(d)(3) LIMIT CALCULATION
(To be completed if the Cost Per Unit is higher than \$90,000*)

*A higher limit of \$90,000 applies for projects qualifying for the following: 1.) small size projects (approximately 30 units or less, 2.) Projects located in Qualified Census Tracts, 3.) Projects located in Empowerment Zones or Enterprise Communities, 4.) Projects with deep rent targeting (50% AMGI or lower), 5.) difficult substantial rehab projects, and 6) projects solely sponsored by a local nonprofit. Developments processed under the CSH initiative may include costs above 110% of the HUD 221(d)(3) limits and/or over \$90,000 per unit in eligible basis. Does this project qualify for the \$90,000 higher limit? ☐ Yes ☐ No

Project Name _____

County _____ **Elevator** ☐ **Non-elevator** ☐

Total Units Including Employee Occupied and Market Rate _____

# of Bed-rooms	# of Units From Pg. 10		HUD Limits From Tab I		HUD Limit Totals
0		x		=	
1		x		=	
2		x		=	
3		x		=	
4+		x		=	
Totals					

If there is no acquisition credit Compare HUD Limit Total with the Adjusted Eligible Basis:
 HUD Limit Total \$ _____ Adjusted Eligible Basis Subtotal \$ _____
 If the HUD Limit is lower, the HUD limit becomes the Adjusted Eligible Basis.

If this is an acquisition/rehab project, complete the following calculation.

Adjusted Eligible Basis for Acquisition	
Plus Adjusted Eligible Basis for Rehab	
Total Adjusted Eligible Basis	

Compare HUD Limit Total with Total Adjusted Eligible Basis:
 HUD Limit Total \$ _____ Total Adjusted Eligible Basis \$ _____

If the Total Adjusted Eligible Basis (AEB) is lower, the AEB does not need to be adjusted. Continue completing the worksheet. If the HUD Limit is lower complete the following calculation.

FINAL ADJUSTED ELIGIBLE BASIS	
HUD 221(d)(3) Limit Total	
Less Adjusted Eligible Basis for Acquisition	
Adjusted Eligible Basis for Rehab	
Place the Adjusted Eligible Basis in the appropriate box in the 9% (the 4% amount will remain the same) column of the Worksheet and continue completing.	

20% AGGREGATE FEE LIMIT CALCULATION
(Applies to projects of 49 units or less)

NAME OF PROJECT _____

CONSTRUCTION CONTRACT		BUILDER OVERHEAD	
On-Site Costs	1	BO Amt. From App.	18
+ Off-Site Costs	2	÷ Total Const. Contract (# 14) + General Requirements (#15) _____ + _____ =	19
+ Landscaping	3	= % of BO	20
+ Appliances (if applicable)	4	BUILDER PROFIT	
+ Structures	5	BP Amt. From App.	21
+ Environ. Remediation	6	÷ Total Const. Contract (# 14) + GR (#15) + BO (# 18) _____ + _____ + _____ =	22
+ Environ. Abatement	7	= % of BP	23
+ Change Orders	8	TOTAL PERCENTAGES	
+ Exterior Demolition	9	% of GR (# 17)	24
+ Asbestos Removal	10	+ % of BO (#20)	25
+ Pool	11	+ % of BP (# 23)	26
+ Performance Bond	12	(Add 24 + 25 + 26) TOTAL PERCENTAGES	27
+ Security System and/or + Security during construction*	13	STOP If Total Percentage is under 20%; go to next line if it exceeds 20%.	
Add 1 - 13	14	Aggregate Fee Limit	.2000
GENERAL REQUIREMENTS		- % of GR (# 17) + % of BO (# 20) _____ + _____ =	29
GR Amt. From App.	15	= Eligible % Limit Remaining	30
÷ Total Const. Contract (# 14)	16	X Const. Contract + GR + BO (# 22)	31
= % of GR	17	= Builder Profit Limit	32

*Security during construction is applicable to Detroit Projects only.

**PRESERVATION HOLDBACK
DEVELOPER FEE LIMIT CALCULATION**
(Applies to projects over 49 units)

NAME OF PROJECT _____ **# OF UNITS** _____

ACQUISITION		REHAB	
Total Land Costs	1	Total Development Cost	5
+ Total Building Acquisition Costs	2	+/- Adjustments Reasons	6
			7
			8
= Total Acquisition Costs	3	= Adjusted TDC	9
	X 10%	- Dev. Fee + Overhead + Con. Fee	10
Acquisition Developer Fee Limit	4	= Readjusted TDC	11
		- Total Acquisition Costs	12
		= Total Rehab Costs	13
			X 15%
		Rehab Developer Fee Limit	14
		+ Acq. Dev. Fee Limit	15
		= TOTAL FEE LIMIT	16

For Preservation Holdback projects, a developer fee of 15% will be allowed on the rehabilitation and 10% on the acquisition. For projects of 49 units or less, a developer fee of 15% will be allowed for both acquisition and rehab.